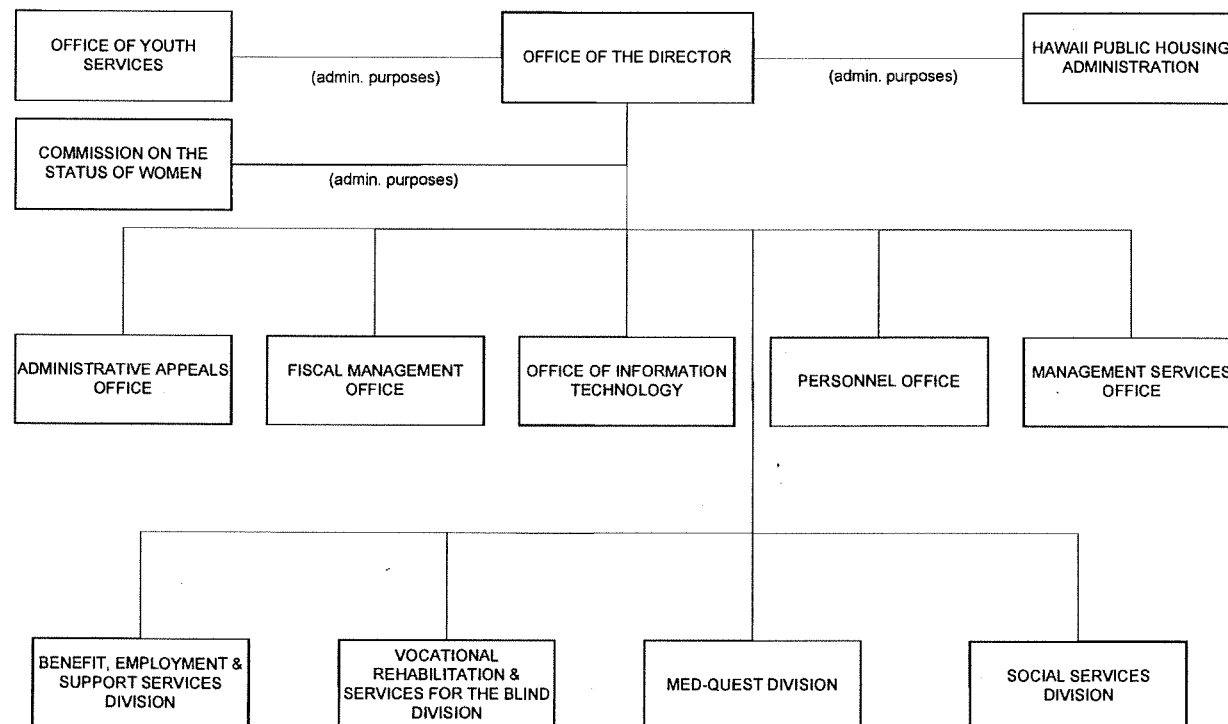


Department of Human Services

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
PLAN OF ORGANIZATION



DEPARTMENT OF HUMAN SERVICES MAJOR FUNCTIONS

- Provides employment related services, childcare services, and economic assistance to eligible families and individuals.
- Provides medical assistance programs to eligible families and individuals.
- Provides child welfare and adult and community care services to eligible families and individuals.
- Provides a continuum of prevention, rehabilitation and treatment services and programs for youth at risk.
- Serves as a catalyst to provide Hawaii residents with affordable housing and shelter.
- Administers programs of vocational rehabilitation, independent living rehabilitation, services for the blind, and disability determination.

MAJOR PROGRAM AREAS

The Department of Human Services has programs in the following major program areas:

Employment		HMS 230	Health Care Payments	HMS 603	Home and Community-Based Care Services
HMS 802	Vocational Rehabilitation	HMS 236	Eligibility Determination and Employment Related Services	HMS 605	Community-Based Residential Support
Social Services				HMS 807	Teacher Housing
HMS 201	Temp Assistance to Needy Families	HMS 237	Employment and Training	HMS 901	General Support for Social Services
HMS 202	Payments to Assist the Aged, Blind and Disabled	HMS 238	Disability Determination	HMS 902	General Support for Health Care Payments
HMS 203	Temp Assistance to Other Needy Families	HMS 245	Quest Health Care Payments	HMS 903	General Support for Benefit, Employment and Support Services
HMS 204	General Assistance Payments	HMS 301	Child Welfare Services	HMS 904	General Administration
HMS 206	Federal Assistance Payments	HMS 302	Child Care Services		
HMS 220	Rental Housing Services	HMS 303	Child Out-of-Home Payments		
HMS 222	Rental Assistance Services	HMS 305	Child Care Payments		
HMS 224	Homeless Services	HMS 501	Youth Services Administration		
HMS 225	Private Housing	HMS 502	Youth Services Programs	Individual Rights	
	Development and Ownership	HMS 503	Youth Residential Programs	HMS 888	Commission on the Status of Women
HMS 229	HCDCH Administration	HMS 601	Adult and Community Care Services		

DEPARTMENT OF HUMAN SERVICES

Department Summary

Mission Statement

To empower those who are the most vulnerable in our State to expand their capacity for self-sufficiency, self-determination, independence, healthy choices, quality of life, and personal dignity.

Department Goals

Customers First

Accountability for Outcomes

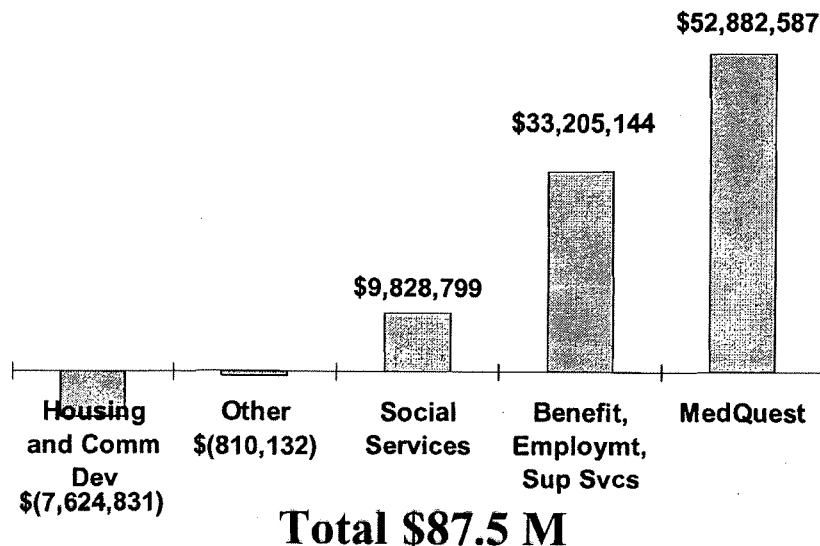
Personal Responsibility for Actions

Partnering to Create Opportunities

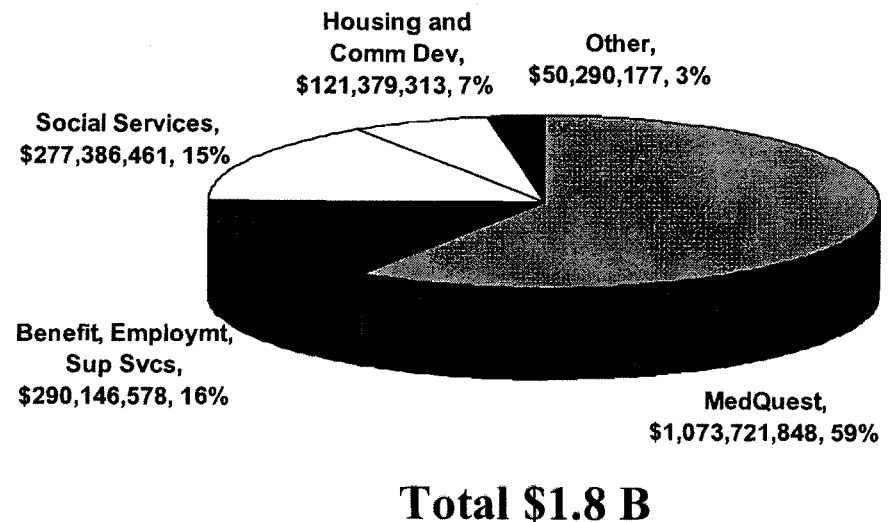
Significant Measures of Effectiveness

	<u>FY 2006</u>	<u>FY 2007</u>
1. % Temporary Assistance to Needy Families recipients in work program exiting due to earnings	20	15
2. % QUEST members satisfied with the managed care health program	88	88
3. % dependent adults with Adult Protective Services not reabused or neglected	95	95

FY 2007 Supplemental Operating Budget Adjustments by Major Program



FY 2007 Supplemental Operating Budget



**Department of Human Services
(Operating Budget)**

		Act 178/2005 FY 2006	Act 178/2005 FY 2007	FY 2007 Adjustments	Total FY 2007
Funding Sources:	Positions	1,225.34	1,225.34	0.50	1,225.84
	General Funds	\$ 650,740,911	665,601,245	69,188,325	734,789,570
	Special Funds	450,000	450,000	0	450,000
		1,037.16	1,037.16	-2.00	1,035.16
	Federal Funds	971,801,299	978,521,424	42,111,817	1,020,633,241
	Private Contributions	10,000	10,000	0	10,000
	Trust Funds	19,008,563	19,008,563	-19,008,563	0
		0.50	0.50	0.00	0.50
	Interdepartmental Transfers	43,430,874	44,706,209	-243,279	44,462,930
		62.00	62.00	-23.00	39.00
	Revolving Funds	17,145,369	17,145,369	-4,566,733	12,578,636
		2,325.00	2,325.00	-24.50	2,300.50
Total Requirements		1,702,587,016	1,725,442,810	87,481,567	1,812,924,377

Highlights of the Executive Supplemental Budget Request: (general funds unless noted)

1. Provides \$19,200,000 to cover prior year operating deficit in the QUEST health program.
2. Provides \$9,999,193 to cover higher than expected enrollment and capitation rates for QUEST.
3. Provides \$4,185,179 to cover reduced federal medical assistance percentage (FMAP) for fee-for-service pgm.
4. Provides \$2,650,927 to cover reduced FMAP for QUEST.
5. Provides \$3,223,807 to update Medicaid fee schedule utilizing the 2006 Medicare rate for the QUEST program.
6. Provides \$1,178,742 to restore dental benefits for adults in the Medicaid fee-for-service program.
7. Provides \$6,463,123 to update Medicaid fee schedule utilizing the 2006 Medicare rate for the fee-for-service program.
8. Provides \$1,987,890 to restore dental benefits for adults in the QUEST program.
9. Provides \$10,000,000 for the renovation of existing housing for the homeless.
10. Provides \$10,000,000 for supportive housing for the homeless.

**Department of Human Services
(Capital Improvements Budget)**

	Act 178/2005 FY 2006	Act 178/2005 FY 2007	FY 2007 Adjustments	Total FY 2007
Funding Sources:				
General Obligation Bonds	9,300,000	4,000,000	7,850,000	11,850,000
Total Requirements	9,300,000	4,000,000	7,850,000	11,850,000

Highlights of the Executive Supplemental CIP Budget Request: (general obligation bonds unless noted)

1. Provides \$1,400,000 in FY 07 for infrastructure improvements and repairs at the Hawaii Youth Correctional Facility.
2. Provides \$2,200,000 in FY 07 for completing Lanakila Homes, Phase IIA and IIB reconstruction.
3. Provides \$2,450,000 in FY 07 for completing Lanakila Homes, Phase III reconstruction.
4. Provides \$1,500,000 in FY 07 for completing Kahale Kahaluu modernization project.

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Operating Budget Details

PROGRAM ID: HMS-
 PROGRAM STRUCTURE NO: 02
 PROGRAM TITLE: EMPLOYMENT

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	119.00*	*	119.00*	119.00*	*	119.00*	*	*	*
PERSONAL SERVICES	6,905,544		6,905,544	6,941,600		6,941,600	13,847,144	13,847,144	
OTH CURRENT EXPENSES	10,663,383		10,663,383	10,663,383		10,663,383	21,326,766	21,326,766	
TOTAL OPERATING COST	17,568,927		17,568,927	17,604,983		17,604,983	35,173,910	35,173,910	
BY MEANS OF FINANCING									
GENERAL FUND	26.36*	*	26.36*	26.36*	*	26.36*	*	*	*
	3,859,253		3,859,253	3,895,309		3,895,309	7,754,562	7,754,562	
OTHER FED. FUNDS	92.64*	*	92.64*	92.64*	*	92.64*	*	*	*
REVOLVING FUND	12,379,474		12,379,474	12,379,474		12,379,474	24,758,948	24,758,948	
	1,330,200		1,330,200	1,330,200		1,330,200	2,660,400	2,660,400	
CAPITAL INVESTMENT									
TOTAL CAPITAL COSTS									
BY MEANS OF FINANCING									
TOTAL POSITIONS	119.00*	*	119.00*	119.00*	*	119.00*			
TOTAL PROGRAM COST	17,568,927		17,568,927	17,604,983		17,604,983	35,173,910	35,173,910	

PROGRAM ID: HMS-802
 PROGRAM STRUCTURE NO: 020403
 PROGRAM TITLE: VOCATIONAL REHABILITATION

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	119.00*	*	119.00*	119.00*	*	119.00*	*	*	*
PERSONAL SERVICES	6,905,544		6,905,544	6,941,600		6,941,600	13,847,144	13,847,144	
OTH CURRENT EXPENSES	10,663,383		10,663,383	10,663,383		10,663,383	21,326,766	21,326,766	
TOTAL OPERATING COST	17,568,927		17,568,927	17,604,983		17,604,983	35,173,910	35,173,910	
BY MEANS OF FINANCING									
GENERAL FUND	26.36*	*	26.36*	26.36*	*	26.36*	*	*	*
	3,859,253		3,859,253	3,895,309		3,895,309	7,754,562	7,754,562	
	92.64*	*	92.64*	92.64*	*	92.64*	*	*	*
OTHER FED. FUNDS	12,379,474		12,379,474	12,379,474		12,379,474	24,758,948	24,758,948	
REVOLVING FUND	1,330,200		1,330,200	1,330,200		1,330,200	2,660,400	2,660,400	
CAPITAL INVESTMENT									
TOTAL CAPITAL COSTS									
BY MEANS OF FINANCING									
TOTAL POSITIONS	119.00*	*	119.00*	119.00*	*	119.00*			
TOTAL PROGRAM COST	17,568,927		17,568,927	17,604,983		17,604,983	35,173,910	35,173,910	

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 802
Program Structure Level: 02 04 03
Program Title: VOCATIONAL REHABILITATION

A. Program Objective

To enable those with disabilities to achieve employment by providing them vocational rehabilitation services.

B. Description of Request

The Vocational Rehabilitation program is requesting temporary position counts for two unbudgeted positions serving the deaf population. The positions are a full-time Social Services Assistant III and a half-time Social Service Aide III.

C. Reasons for Request

The position counts are requested so that we can add these positions to our budget to reflect the ongoing rather than short-term need for the services provided by the positions.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID: HMS-
PROGRAM STRUCTURE NO: 06
PROGRAM TITLE: SOCIAL SERVICES

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	2205.00*	*	2205.00*	2205.00*	-24.50*	2180.50*	*	*	*
PERSONAL SERVICES	110,731,096		110,731,096	111,767,856	2,136,113-	109,631,743	222,498,952	220,362,839	
OTH CURRENT EXPENSES	1,573,498,760		1,573,498,760	1,595,281,738	89,466,028	1,684,747,766	3,168,780,498	3,258,246,526	
EQUIPMENT	590,741		590,741	590,741	151,652	742,393	1,181,482	1,333,134	
MOTOR VEHICLES	100,000		100,000	100,000		100,000	200,000	200,000	
TOTAL OPERATING COST	1,684,920,597		1,684,920,597	1,707,740,335	87,481,567	1,795,221,902	3,392,660,932	3,480,142,499	2.58
BY MEANS OF FINANCING									
	1197.98*	*	1197.98*	1197.98*	.50*	1198.48*	*	*	*
GENERAL FUND	646,784,166		646,784,166	661,608,444	69,188,325	730,796,769	1,308,392,610	1,377,580,935	
SPECIAL FUND	450,000		450,000	450,000		450,000	900,000	900,000	
	944.52*	*	944.52*	944.52*	-2.00*	942.52*	*	*	*
OTHER FED. FUNDS	959,421,825		959,421,825	966,141,950	42,111,817	1,008,253,767	1,925,563,775	1,967,675,592	
PRIVATE CONTRIB.	10,000		10,000	10,000		10,000	20,000	20,000	
TRUST FUNDS	19,008,563	*	19,008,563	19,008,563	19,008,563-	*	38,017,126	19,008,563	
	.50*	*	.50*	.50*	*	.50*	*	*	*
INTERDEPT. TRANSF	43,430,874		43,430,874	44,706,209	243,279-	44,462,930	88,137,083	87,893,804	
	62.00*	*	62.00*	62.00*	-23.00*	39.00*	*	*	*
REVOLVING FUND	15,815,169		15,815,169	15,815,169	4,566,733-	11,248,436	31,630,338	27,063,605	
CAPITAL INVESTMENT									
PLANS	501,000		501,000		5,000	5,000	501,000	506,000	
LAND ACQUISITION	499,000		499,000				499,000	499,000	
DESIGN	1,084,000		1,084,000	800,000	1,235,000	2,035,000	1,884,000	3,119,000	
CONSTRUCTION	7,215,000		7,215,000	3,200,000	6,610,000	9,810,000	10,415,000	17,025,000	
EQUIPMENT	1,000		1,000				1,000	1,000	
TOTAL CAPITAL COSTS	9,300,000		9,300,000	4,000,000	7,850,000	11,850,000	13,300,000	21,150,000	59.02
BY MEANS OF FINANCING									
G.O. BONDS	9,300,000		9,300,000	4,000,000	7,850,000	11,850,000	13,300,000	21,150,000	
TOTAL POSITIONS	2205.00*	*	2205.00*	2205.00*	-24.50*	2180.50*			
TOTAL PROGRAM COST	1,694,220,597		1,694,220,597	1,711,740,335	95,331,567	1,807,071,902	3,405,960,932	3,501,292,499	2.80

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**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID: **HMS-202**
 PROGRAM STRUCTURE NO: **06020102**
 PROGRAM TITLE: **PAYMNTS TO ASSIST THE AGED, BLIND & DISABLED**

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
OTH CURRENT EXPENSES	6,850,560		6,850,560	6,850,560	1,498,021-	5,352,539	13,701,120	12,203,099	
TOTAL OPERATING COST	6,850,560		6,850,560	6,850,560	1,498,021-	5,352,539	13,701,120	12,203,099	10.93-
BY MEANS OF FINANCING									
GENERAL FUND	6,850,560		6,850,560	6,850,560	1,498,021-	5,352,539	13,701,120	12,203,099	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	6,850,560		6,850,560	6,850,560	1,498,021-	5,352,539	13,701,120	12,203,099	10.93-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 202

Program Structure Level: 06 02 01 02

Program Title: PAYMENTS TO ASSIST THE AGED, BLIND & DISABLED

A. Program Objective

To provide financial support, within state appropriations, through direct monetary payments for food, clothing, shelter and other essentials to individuals eligible under the federal Supplemental Security Income (SSI) and the State's Aid to the Aged, Blind, and Disabled (AABD) programs. To maximize federal reimbursements for these expenditures through a Social Security Administration advocacy program to access federal payment.

B. Description of Request

Transfer \$598,021 in general funds to HMS 204, General Assistance Payments, to provide for projected FY 2006-07 General Assistance payment requirements. Projections based on the recent caseload trend for HMS 202 indicate that AABD payments will continue to decline through FY 2006-07.

Reduce the HMS 202 budget by \$900,000. This reduction will bring the AABD budget in line with the current projection of program needs.

C. Reasons for Request

The request to transfer funds to HMS 204 will allow the Department to meet its payment obligations without requiring an increase in its total general funds or requiring a decrease in monthly payments to the General Assistance population.

D. Significant Changes to Measures of Effectiveness and Program Size

The program's target group and caseload are projected to decrease in FY 2006-07.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

HMS-204
06020103
GENERAL ASSISTANCE PAYMENTS

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
OTH CURRENT EXPENSES	18,764,891		18,764,891	18,764,891	598,021	19,362,912	37,529,782	38,127,803	
TOTAL OPERATING COST	18,764,891		18,764,891	18,764,891	598,021	19,362,912	37,529,782	38,127,803	1.59
BY MEANS OF FINANCING									
GENERAL FUND	18,764,891		18,764,891	18,764,891	598,021	19,362,912	37,529,782	38,127,803	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	18,764,891		18,764,891	18,764,891	598,021	19,362,912	37,529,782	38,127,803	1.59

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 204
Program Structure Level: 06 02 01 03
Program Title: GENERAL ASSISTANCE PAYMENTS

A. Program Objective

To provide financial support, within state appropriations, through direct monetary payments for food, clothing, shelter and other essentials to individuals eligible under the General Assistance (GA) program. To maximize federal reimbursement of these expenses and through a medical review process and advocacy to the Social Security Administration for federal benefits, to ensure that the moneys are being spent appropriately.

B. Description of Request

Transfer in \$598,021 in general funds from HMS 202, Payments to Assist the Aged Blind and Disabled. HMS 202 is projecting a decrease in its caseload and expenditures. The transfer to HMS 204 will provide for the maintenance of the current minimal payment level in General Assistance payments.

C. Reasons for Request

Based on current projection, we anticipate in shortfall in the General Assistance budget which would require the Department to decrease the monthly allotment from \$418 per month to a lower monthly payment amount.

D. Significant Changes to Measures of Effectiveness and Program Size

The target group and monthly caseload for the GA program are projected to increase.

PROGRAM ID: HMS-220
PROGRAM STRUCTURE NO: 06020201
PROGRAM TITLE: RENTAL HOUSING SERVICES

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	221.00*	*	221.00*	221.00*	-1.00*	220.00*	*	*	*
PERSONAL SERVICES	11,025,037		11,025,037	11,110,633	558,373-	10,552,260	22,135,670	21,577,297	
OTH CURRENT EXPENSES	36,377,578		36,377,578	36,377,578	21,453-	36,356,125	72,755,156	72,733,703	
EQUIPMENT	453,451		453,451	453,451		453,451	906,902	906,902	
TOTAL OPERATING COST	47,856,066		47,856,066	47,941,662	579,826-	47,361,836	95,797,728	95,217,902	.61-
BY MEANS OF FINANCING									
GENERAL FUND	584,556		584,556	584,556		584,556	1,169,112	1,169,112	
	198.00*	*	198.00*	198.00*	-1.00*	197.00*	*	*	*
OTHER FED. FUNDS	43,372,325		43,372,325	43,457,921	523,775-	42,934,146	86,830,246	86,306,471	
	23.00*	*	23.00*	23.00*	*	23.00*	*	*	*
REVOLVING FUND	3,899,185		3,899,185	3,899,185	56,051-	3,843,134	7,798,370	7,742,319	
CAPITAL INVESTMENT									
PLANS	500,000		500,000				500,000	500,000	
DESIGN	550,000		550,000	300,000		300,000	850,000	850,000	
CONSTRUCTION	2,450,000		2,450,000	1,700,000		1,700,000	4,150,000	4,150,000	
TOTAL CAPITAL COSTS	3,500,000		3,500,000	2,000,000		2,000,000	5,500,000	5,500,000	
BY MEANS OF FINANCING									
G.O. BONDS	3,500,000		3,500,000	2,000,000		2,000,000	5,500,000	5,500,000	
TOTAL POSITIONS	221.00*	*	221.00*	221.00*	-1.00*	220.00*			
TOTAL PROGRAM COST	51,356,066		51,356,066	49,941,662	579,826-	49,361,836	101,297,728	100,717,902	.57-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 220
Program Structure Level: 06 02 02 01
Program Title: Rental Housing Services

A. Program Objective

To ensure the availability of adequate housing for low-income families by providing public rental housing facilities and opportunities for self-sufficiency at a reasonable cost.

tenant-based rent subsidy programs; and 4) administer homeless assistance programs.

B. Description of Request

1. The transfer of 13.00 positions to the Department of Business, Economic Development and Tourism (federal funds: 2.00 permanent, 10.00 temporary, \$558,335; revolving fund: 1.00 temporary, \$56,051.)
2. Transfer 1 permanent position and \$34,560 in revolving funds from HMS 227, and change MOF from revolving to federal funds.

C. Reasons for Request

To effectuate Act 196, SLH 2005, which created the Hawaii Public Housing Administration (HPHA), administratively attached to the Department of Human Services.

D. Significant Changes to Measures of Effectiveness and Program Size

Changes to measures of effectiveness and program size is due to the bifurcation of the agency since the focus will be to: 1) administer federal programs designated to be carried out by a public housing agency; 2) manage federal and state low-income, elderly and teacher housing; 3) manage federal and state

PROGRAM ID: HMS-222
 PROGRAM STRUCTURE NO: 06020213
 PROGRAM TITLE: RENTAL ASSISTANCE SERVICES

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	17.00*	*	17.00*	17.00*	6.00*	23.00*	*	*	*
PERSONAL SERVICES	1,672,372		1,672,372	1,672,372	60,025	1,732,397	3,344,744	3,404,769	
OTH CURRENT EXPENSES	25,141,809		25,141,809	25,141,809		25,141,809	50,283,618	50,283,618	
TOTAL OPERATING COST	26,814,181		26,814,181	26,814,181	60,025	26,874,206	53,628,362	53,688,387	.11
=====									
BY MEANS OF FINANCING									
	5.25*	*	5.25*	5.25*	*	5.25*	*	*	*
GENERAL FUND	1,236,941		1,236,941	1,236,941		1,236,941	2,473,882	2,473,882	
	11.75*	*	11.75*	11.75*	6.00*	17.75*	*	*	*
OTHER FED. FUNDS	25,577,240		25,577,240	25,577,240	60,025	25,637,265	51,154,480	51,214,505	
TOTAL POSITIONS	17.00*	*	17.00*	17.00*	6.00*	23.00*			
TOTAL PROGRAM COST	26,814,181		26,814,181	26,814,181	60,025	26,874,206	53,628,362	53,688,387	.11
=====									

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 222
Program Structure Level: 06 02 02 13
Program Title: Rental Assistance Services

A. Program Objective

To facilitate the use of private rental housing for low-income families by supplementing their rental payments.

B. Description of Request

1. Change 6.00 temporary general fund positions to permanent positions.
2. Transfer in 1.00 position and \$60,025 in revolving funds from HMS 227, and change MOF from revolving to federal funds.

C. Reasons for Request

One of the biggest challenges that the Rent Subsidy Branch faces is keeping up with the Department of Housing and Urban Development (HUD) requirements. The HUD requirements are necessary to ensure that federal monies allocated have been appropriately spent. One such requirement is the lease up percentage. This percentage gauges whether the agency is meeting its goals.

Since its inception, there has been no let up in the initial processing and lease up activities. If the temporary positions are not converted to permanent positions, we will continue to experience high staff turn over rate because of the nature of the positions, serious backlogs in the day

to day operations, and performance level will not be acceptable to HUD and HCDCH could ultimately lose substantial Section 8 federal fund. Our current turn over rate since 1998 is 43%. The average turnover rate for government employees is 6.9% for FY 03-04. HCDCH experiences indicate that the turnovers are due to employees finding permanent positions, returning to previous positions

D. Significant Changes to Measures of Effectiveness and Program Size

No change.

PROGRAM ID: HMS-223
 PROGRAM STRUCTURE NO: 06020210
 PROGRAM TITLE: BROADENED HOMESITE OWNERSHIP

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
PERSONAL SERVICES	157,973		157,973	157,973	157,973-		315,946	157,973	
OTH CURRENT EXPENSES	53,500		53,500	53,500	53,500-		107,000	53,500	
TOTAL OPERATING COST	211,473		211,473	211,473	211,473-		422,946	211,473	50.00-
=====									
BY MEANS OF FINANCING									
REVOLVING FUND	211,473	*	211,473	211,473	211,473-	*	422,946	211,473	*
TOTAL POSITIONS	*	*	*	*	*	*	*	*	*
TOTAL PROGRAM COST	211,473		211,473	211,473	211,473-		422,946	211,473	50.00-
=====									

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 223
Program Structure Level: 06 02 02 10
Program Title: Broadened Home site Ownership

A. Program Objective

To assist in increasing the number and proportion of homesites owned in fee simple title, and to facilitate the arbitration of lease rental renegotiations in single-family residential lots and cooperative housing corporations.

B. Description of Request

Transfer all program resources, 2.00 temporary positions and \$211,473 in revolving funds, to the Department of Business, Economic Development and Tourism (DBEDT).

C. Reasons for Request

To effectuate Act 196, SLH 2005, which created the Hawaii Public Housing Administration (HPHA), administratively attached to the Department of Human Services.

D. Significant Changes to Measures of Effectiveness and Program Size

Entire program transfers to DBEDT.

PROGRAM ID: HMS-224
PROGRAM STRUCTURE NO: 06020215
PROGRAM TITLE: HOMELESS SERVICES

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	4.00*	*	4.00*	4.00*	1.00*	5.00*	*	*	*
PERSONAL SERVICES	375,563		375,563	375,563	21,096	396,659	751,126	772,222	
OTH CURRENT EXPENSES	7,560,215		7,560,215	7,560,215	20,000,000	27,560,215	15,120,430	35,120,430	
TOTAL OPERATING COST	7,935,778		7,935,778	7,935,778	20,021,096	27,956,874	15,871,556	35,892,652	126.14
BY MEANS OF FINANCING									
GENERAL FUND	4.00*	*	4.00*	4.00*	1.00*	5.00*	*	*	*
OTHER FED. FUNDS	6,566,670		6,566,670	6,566,670	20,021,096	26,587,766	13,133,340	33,154,436	
	1,369,108		1,369,108	1,369,108		1,369,108	2,738,216	2,738,216	
CAPITAL INVESTMENT									
PLANS	1,000		1,000				1,000	1,000	
LAND ACQUISITION	1,000		1,000				1,000	1,000	
DESIGN	1,000		1,000				1,000	1,000	
CONSTRUCTION	497,000		497,000				497,000	497,000	
TOTAL CAPITAL COSTS	500,000		500,000				500,000	500,000	
BY MEANS OF FINANCING									
G.O. BONDS	500,000		500,000				500,000	500,000	
TOTAL POSITIONS	4.00*	*	4.00*	4.00*	1.00*	5.00*			
TOTAL PROGRAM COST	8,435,778		8,435,778	7,935,778	20,021,096	27,956,874	16,371,556	36,392,652	122.29

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 224
Program Structure Level: 06 02 02 15
Program Title: Homeless Services

A. Program Objective

To comprehensively address the needs of the homeless in Hawaii and to provide the opportunity for homeless people to help themselves by achieving improved permanent living situations.

B. Description of Request

- \$10 million for renovation of existing housing for the homeless.
- \$10 million for supportive housing for the homeless.
- Transfer 1.00 temporary position and provide \$21,096 in general funds for the Homeless Programs Branch Clerk typist position.

C. Reasons for Request

The housing placement program is a key homeless prevention measure which will link landlords to Section-8 voucher holders and formerly homeless persons and provide monetary assistance with first months rent and rental deposit. Case management is an integral cost of the program as providers work with the renters to ensure their long-term stability.

The requests for \$20 million will stabilize the shelter resources for the State of Hawaii so that 5800 to 6000 homeless persons will continue to be served annually in a healthy, safe environment.

A clerk-typist position is being transferred from HMS 227 to serve the Homeless Programs Branch.

D. Significant Changes to Measures of Effectiveness and Program Size

Number of homeless persons that can be served by the program will increase.

PROGRAM ID: **HMS-225**
 PROGRAM STRUCTURE NO: **06020208**
 PROGRAM TITLE: **PRIVATE HOUSING DEV & OWNERSHIP**

**EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)**

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	18.00*	*	18.00*	18.00*	-5.00*	13.00*	*	*	*
PERSONAL SERVICES	3,121,382		3,121,382	3,121,382	1,343,034-	1,778,348	6,242,764	4,899,730	
OTH CURRENT EXPENSES	5,435,837		5,435,837	5,435,837	290,788-	5,145,049	10,871,674	10,580,886	
TOTAL OPERATING COST	8,557,219		8,557,219	8,557,219	1,633,822-	6,923,397	17,114,438	15,480,616	9.55-
=====									
BY MEANS OF FINANCING	10.00*	*	10.00*	10.00*	-1.00*	9.00*	*	*	*
OTHER FED. FUNDS	1,594,370		1,594,370	1,594,370	211,328-	1,383,042	3,188,740	2,977,412	
	8.00*	*	8.00*	8.00*	-4.00*	4.00*	*	*	*
REVOLVING FUND	6,962,849		6,962,849	6,962,849	1,422,494-	5,540,355	13,925,698	12,503,204	
TOTAL POSITIONS	18.00*	*	18.00*	18.00*	-5.00*	13.00*			
TOTAL PROGRAM COST	8,557,219		8,557,219	8,557,219	1,633,822-	6,923,397	17,114,438	15,480,616	9.55-
=====									

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 225

Program Structure Level: 06 02 02 08

Program Title: Private Housing Development & Ownership

A. Program Objective

To provide development, construction management, and technical assistance to increase housing opportunities for our target groups through development of housing for rental and for sale, community redevelopment, and the maintenance and improvement of existing facilities.

B. Description of Request

Transfer a total of 18.00 positions to the Department of Business, Economic Development, and Tourism. This transfer includes 1.00 permanent and 2 temporary positions and \$211,328 in federal funds, and 4.00 permanent and 11.00 temporary positions and \$1,422,494 in revolving funds.

C. Reasons for Request

1. To effectuate Act 196, SLH2005, which created the Hawaii Public Housing Administration (HPHA), administratively attached to the Department of Human Services.
2. This request is also a result of the approved reorganization of HCDCH.

D. Significant Changes to Measures of Effectiveness and Program Size

Changes to measures of effectiveness and program size are due to the bifurcation of the agency since the focus will be on 1) administering federal programs designated to be carried out by a public housing agency; 2) managing federal and state low-income, elderly and teacher housing; 3) managing federal and state tenant-based rent subsidy programs; and 4) administering homeless assistance programs.

PROGRAM ID: HMS-227
PROGRAM STRUCTURE NO: 06020212
PROGRAM TITLE: HOUSING FINANCE

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	11.00*		11.00*	11.00*	-11.00*				
PERSONAL SERVICES	1,359,711		1,359,711	1,359,711	1,359,711-		2,719,422	1,359,711	
OTH CURRENT EXPENSES	3,124,800		3,124,800	3,124,800	3,124,800-		6,249,600	3,124,800	
TOTAL OPERATING COST	4,484,511		4,484,511	4,484,511	4,484,511-		8,969,022	4,484,511	50.00-
BY MEANS OF FINANCING									
OTHER FED. FUNDS	3,000,000		3,000,000	3,000,000	3,000,000-		6,000,000	3,000,000	
REVOLVING FUND	11.00*		11.00*	11.00*	-11.00*				
	1,484,511		1,484,511	1,484,511	1,484,511-		2,969,022	1,484,511	
TOTAL POSITIONS	11.00*		11.00*	11.00*	-11.00*				
TOTAL PROGRAM COST	4,484,511		4,484,511	4,484,511	4,484,511-		8,969,022	4,484,511	50.00-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 227
Program Structure Level: 06 02 02 12
Program Title: Housing Finance

A. Program Objective

To assist low-income and moderate individuals and families to rent or purchase adequate housing at an affordable cost through various financing, sales and counseling programs.

B. Description of Request

1. Transfer 9.00 permanent and 11.00 temporary positions and \$1,302,617 in revolving funds and \$3,000,000 in federal funds to the Department of Business, Economic Development and Tourism.
2. Transfer 2.00 permanent and 2.00 temporary positions and a total of \$181,894 in revolving funds to the following programs: 1.00 permanent position and \$34,560 to HMS 220; 1.00 permanent position and \$29,103 to HMS 224; 1.00 temporary position and \$60,025 to HMS 222; and 1.00 temporary position and \$58,206 to HMS 229.

C. Reasons for Request

1. To effectuate Act 196, SLH 2005, which created the Hawaii Public Housing Administration (HPHA), administratively attached to the Department of Human Services.
2. This request is also a result of the approved reorganization of HCDCH.

D. Significant Changes to Measures of Effectiveness and Program Size

Changes to measures of effectiveness and program size is due to the bifurcation of the agency since the focus will be on will 1) administer federal programs designated to be carried out by a public housing agency; 2) manage federal and state low-income, elderly and teacher housing; 3) manage federal and state tenant-based rent subsidy programs; and 4) administer homeless assistance programs.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID: **HMS-229**
 PROGRAM STRUCTURE NO: **06020206**
 PROGRAM TITLE: **HCDCH ADMINISTRATION**

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	49.00*	*	49.00*	49.00*	-14.00*	35.00*	*	*	*
PERSONAL SERVICES	3,698,958		3,698,958	3,787,539	1,019,121-	2,768,418	7,486,497	6,467,376	
OTH CURRENT EXPENSES	9,902,301		9,902,301	9,902,301	768,636-	9,133,665	19,804,602	19,035,966	
TOTAL OPERATING COST	13,601,259		13,601,259	13,689,840	1,787,757-	11,902,083	27,291,099	25,503,342	6.55-
BY MEANS OF FINANCING									
OTHER FED. FUNDS	29.00*	*	29.00*	29.00*	-6.00*	23.00*	*	*	*
	10,705,025		10,705,025	10,793,606	395,553-	10,398,053	21,498,631	21,103,078	
REVOLVING FUND	20.00*	*	20.00*	20.00*	-8.00*	12.00*	*	*	*
	2,896,234		2,896,234	2,896,234	1,392,204-	1,504,030	5,792,468	4,400,264	
CAPITAL INVESTMENT									
DESIGN	500,000		500,000	500,000	1,050,000	1,550,000	1,000,000	2,050,000	
CONSTRUCTION	2,500,000		2,500,000	1,500,000	5,400,000	6,900,000	4,000,000	9,400,000	
TOTAL CAPITAL COSTS	3,000,000		3,000,000	2,000,000	6,450,000	8,450,000	5,000,000	11,450,000	129.00
BY MEANS OF FINANCING									
G.O. BONDS	3,000,000		3,000,000	2,000,000	6,450,000	8,450,000	5,000,000	11,450,000	
TOTAL POSITIONS	49.00*	*	49.00*	49.00*	-14.00*	35.00*			
TOTAL PROGRAM COST	16,601,259		16,601,259	15,689,840	4,662,243	20,352,083	32,291,099	36,953,342	14.44

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID:HMS 229
Program Structure Level: 06 02 02 06
Program Title: HPHA Administration

A. Program Objective

To enhance program effectiveness and efficiency by formulating policies, directing operations and personnel, and providing other administrative and housekeeping services.

designated to be carried out by a public housing agency; 2) managing federal and state low-income, elderly and teacher housing; 3) managing federal and state tenant-based rent subsidy programs; and 4) administering homeless assistance programs.

B. Description of Request

1. Transfer 6.00 permanent and 2.00 temporary positions and \$453,759 in federal funds, and 8.00 permanent and 5.00 temporary positions and \$1,392,204 in revolving funds to the Department of Business, Economic Development and Tourism.
2. Transfer 1 position from HMS 227 to HMS 229 and change MOF from revolving to federal funds.

C. Reasons for Request

1. To effectuate Act 196, SLH 2005, which created the Hawaii Public Housing Administration (HPHA), administratively attached to the Department of Human Services.
2. This request is also a result of the approved reorganization of HCDCH.

D. Significant Changes to Measures of Effectiveness and Program Size

Changes to measures of effectiveness and program size is due to the bifurcation of the agency since the focus will be on 1) administering federal programs

PROGRAM ID: HMS-230
 PROGRAM STRUCTURE NO: 06020301
 PROGRAM TITLE: HEALTH CARE PAYMENTS

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
OTH CURRENT EXPENSES	619,410,781		619,410,781	606,614,647	3,648,472-	602,966,175	1,226,025,428	1,222,376,956	
TOTAL OPERATING COST	619,410,781		619,410,781	606,614,647	3,648,472-	602,966,175	1,226,025,428	1,222,376,956	.30-
BY MEANS OF FINANCING									
GENERAL FUND	240,191,626		240,191,626	240,301,007	9,571,914	249,872,921	480,492,633	490,064,547	
OTHER FED. FUNDS	368,877,940		368,877,940	355,972,425	13,220,386-	342,752,039	724,850,365	711,629,979	
INTERDEPT. TRANSF	10,341,215		10,341,215	10,341,215		10,341,215	20,682,430	20,682,430	
TOTAL POSITIONS		*	*		*	*			
TOTAL PROGRAM COST	619,410,781		619,410,781	606,614,647	3,648,472-	602,966,175	1,226,025,428	1,222,376,956	.30-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 230
Program Structure Level: 06 02 03 01
Program Title: HEALTH CARE PAYMENTS

A. Program Objective

To enable those in need to maintain and improve their health by providing for payment of medical, dental and other professional health services, hospital services, nursing home services, drug, prosthetic appliances, home health and other institutional health care, drugs, prosthetics, appliances and other related health services, including transportation and burial services.

B. Description of Request

Budget requests include:

- Limited adult dental benefit for the Aged, Blind and Disabled population. Limited benefit includes annual visits, cleaning and filling.
- Increase in the Medicaid Fee Schedule.
- Increase in general funds for the reduction of the Federal Medical Assistance Percentage from 58.81% to 57.55% effective 10/1/06.
- Implementation of the Direct Payment/Coverage Initiative that will allow the QUEST program to cover uninsured recipients who could not enroll into the QUEST Program due to enrollment caps. No additional general funds will be needed for this initiative.

C. Reasons for Request

- Limited adult dental benefit will allow recipients to receive preventive care which was eliminated in February 1996. The preventive dental

benefit will allow healthier outcomes which could lead to more costly medical procedures.

- Increase in the Medicaid Fee Schedule will encourage more providers to become Medicaid providers and allow the recipients more access to providers, especially on the neighbor islands. Providers have not received any increase in rates since 1991.
- The budget and financial plans were based on the FMAP at 58.81%. The federal government has notified us that the new rate beginning 10/1/06 will be reduced to 57.55%. This reduction is part of the annual adjustments that are made to the FMAP which is calculated by comparing the Hawaii per capita income to the national average.
- With the approval of the federal government, the Direct Payments/Coverage Initiative will allow Medicaid to claim for federal funding using the subsidies provided by the legislature and receive federal matching funds. These funds can then be used to fund uncompensated cost for private facilities and cover the uninsured population without any additional state general fund requirements.

D. Significant Changes to Measures of Effectiveness and Program Size

- No significant changes to Measures of Effectiveness and Program Size

PROGRAM ID: HMS-231
 PROGRAM STRUCTURE NO: 06020218
 PROGRAM TITLE: RENTAL HOUSING TRUST FUND

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
PERSONAL SERVICES	76,302		76,302	76,302	76,302-		152,604	76,302	
OTH CURRENT EXPENSES	18,932,261		18,932,261	18,932,261	18,932,261-		37,864,522	18,932,261	
TOTAL OPERATING COST	19,008,563		19,008,563	19,008,563	19,008,563-		38,017,126	19,008,563	50.00-
BY MEANS OF FINANCING									
TRUST FUNDS	19,008,563	*	19,008,563	19,008,563	19,008,563-	*	38,017,126	19,008,563	*
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	19,008,563		19,008,563	19,008,563	19,008,563-		38,017,126	19,008,563	50.00-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 231
Program Structure Level: 06 02 02 17
Program Title: Rental Housing Trust Fund

A. Program Objective

To assist lower income individuals and families in obtaining affordable rental housing by providing loans or grants for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of rental housing units.

B. Description of Request

Transfer all program resources, 1.00 temporary position and \$19,008,563 in trust funds to the Department of Business, Economic Development, and Tourism (DBEDT).

C. Reasons for Request

To effectuate Act 196, SLH 2005, which created the Hawaii Public Housing Administration (HPHA), administratively attached to the Department of Human Services.

D. Significant Changes to Measures of Effectiveness and Program Size

Entire program transfers to DBEDT.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID: **HMS-245**
 PROGRAM STRUCTURE NO: **06020303**
 PROGRAM TITLE: **QUEST HEALTH CARE PAYMENTS**

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
OTH CURRENT EXPENSES	365,788,496		365,788,496	388,500,125	55,333,827	443,833,952	754,288,621	809,622,448	
TOTAL OPERATING COST	365,788,496		365,788,496	388,500,125	55,333,827	443,833,952	754,288,621	809,622,448	7.34
BY MEANS OF FINANCING									
GENERAL FUND	150,853,551		150,853,551	158,728,070	37,061,817	195,789,887	309,581,621	346,643,438	
OTHER FED. FUNDS	214,934,945		214,934,945	229,772,055	18,272,010	248,044,065	444,707,000	462,979,010	
TOTAL POSITIONS									
TOTAL PROGRAM COST	365,788,496		365,788,496	388,500,125	55,333,827	443,833,952	754,288,621	809,622,448	7.34

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 245
Program Structure Level: 06 02 03 03
Program Title: QUEST HEALTH CARE PAYMENTS

A. Program Objective

To enable those in need to maintain and improve their health by providing for payment of medical, dental and other professional services; hospital and other related health services through health plans participating in the QUEST program.

B. Description of Request

Budget Requests Include:

- Additional funds for increased enrollment and increase in capitation payments and carryover debt from FY 2006.
- Restoration of a limited adult dental benefit for those enrolled into the QUEST Program.
- Increase in the Medicaid Fee Schedule
- Additional funds due to the reduction in the Federal Medical Assistance Percentage from 58.81% to 57.55%

C. Reasons for Request

- The QUEST Program continues to experience increase in enrollment. We are projecting a 4% increase in enrollment during FY 2007 and a 5% increase in rates during the same time period.
- Limited adult dental benefit will allow recipients to receive preventive care which was eliminated in February 1996. The preventive dental

benefit will allow healthier outcomes which could lead to more costly medical procedures

- Increase in the Medicaid Fee Schedule will encourage more providers to become Medicaid providers and allow the recipients more access to providers, especially on the neighbor islands. Providers have not received any increase in rates since 1991.
- The budget and financial plans were based on the FMAP at 58.81%. The federal government has notified us that the new rate beginning 10/1/06 will be reduced to 57.55%. This reduction is part of the annual adjustments that are made to the FMAP which is calculated by comparing the Hawaii per capita income to the national average.

D. Significant Changes to Measures of Effectiveness and Program Size

- No significant changes to Measures of Effectiveness and Program Size

PROGRAM ID: HMS-301
 PROGRAM STRUCTURE NO: 060101
 PROGRAM TITLE: CHILD WELFARE SERVICES

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	451.50*	*	451.50*	451.50*	*	451.50*	*	*	*
PERSONAL SERVICES	20,330,927		20,330,927	20,330,927	2,140,486	22,471,413	40,661,854	42,802,340	
OTH CURRENT EXPENSES	27,629,242		27,629,242	27,629,242	5,615,230	33,244,472	55,258,484	60,873,714	
EQUIPMENT	137,290		137,290	137,290		137,290	274,580	274,580	
MOTOR VEHICLES	100,000		100,000	100,000		100,000	200,000	200,000	
TOTAL OPERATING COST	48,197,459		48,197,459	48,197,459	7,755,716	55,953,175	96,394,918	104,150,634	8.05
BY MEANS OF FINANCING									
GENERAL FUND	264.44*	*	264.44*	264.44*	*	264.44*	*	*	*
SPECIAL FUND	21,057,140		21,057,140	21,057,140	565,230	21,622,370	42,114,280	42,679,510	
OTHER FED. FUNDS	450,000		450,000	450,000		450,000	900,000	900,000	
	187.06*	*	187.06*	187.06*	*	187.06*	*	*	*
	26,690,319		26,690,319	26,690,319	7,190,486	33,880,805	53,380,638	60,571,124	
TOTAL POSITIONS	451.50*	*	451.50*	451.50*	*	451.50*			
TOTAL PROGRAM COST	48,197,459		48,197,459	48,197,459	7,755,716	55,953,175	96,394,918	104,150,634	8.05

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 301
Program Structure Level: 06 01 01
Program Title: CHILD WELFARE SERVICES

A. Program Objective

To enable children at risk of abuse/neglect to live in a safe and secure environment by providing in-home and out-of-home social services that benefit the children and their families.

B. Description of Request

1. Expand funding for the CARE (Child At-Risk Evaluation) Program Medical Services for comprehensive, coordinated and compassionate forensic services to children who are victims of abuse or neglect. Appropriation of \$565,230 A.
2. Maintain funding for Foster Parent Training, Family Strengthening Services, Voluntary Case Management Services and Comprehensive Counseling Services. Appropriation of \$5,050,000N
3. Budget 57.50 unbudgeted temporary positions to enable the Department to comply with the federally mandated Child and Family Services Review (CFSR) Program Improvement Plan (PIP). Appropriation of \$53,111A and \$2,258,672N.

C. Reasons for Request

1. To maintain and expand funding the Child At Risk Evaluation (CARE) program to provide medical services to the islands of Hawaii and Maui, including forensic examination, pre-placement examinations, medical consultation and other medical services to children who have been abused or neglected. The program is presently funded through a legislative Grant-in-Aid that will expire on June 30, 2006. The CARE program provides the following services to children who have been reported as abused and neglected:

- i. Pre-Placement Examination
- ii. Comprehensive Health Evaluation
- iii. Diagnostic Examination/Consultation
- iv. Extended Diagnostic Evaluation
- v. Record Review
- vi. Follow-up Examination

2. Maintain funding for essential services that are required for the federally mandated CFSR PIP. The Department using TANF funding that has been earmarked by the Federal Government to provide an enhanced response to child abuse and neglect, has developed new services and has increased funding to existing services to meet the needs of our children and families. We must sustain the increases in funding to provide sufficient resources to meet the multiple service needs of our clients.
3. Budget and maintain funding for temporary unbudgeted positions needed to ensure the Department's ability to comply with the requirements of the CFSR PIP. The CFSR identified many areas needing improvement in our CWS system. Failure to achieve improvement will result in financial penalties and loss of future Federal funds. With the Governor's approval, the PIP positions were established to provide much additional support and assistance to complement existing CWSB staffing as mandated by the PIP.

D. Significant Changes to Measures of Effectiveness and Program Size
None.

PROGRAM ID: HMS-305
 PROGRAM STRUCTURE NO: 060104
 PROGRAM TITLE: CHILD CARE PAYMENTS

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
OTH CURRENT EXPENSES	61,943,778		61,943,778	61,943,778	6,281,213-	55,662,565	123,887,556	117,606,343	
TOTAL OPERATING COST	61,943,778		61,943,778	61,943,778	6,281,213-	55,662,565	123,887,556	117,606,343	5.07-
BY MEANS OF FINANCING									
GENERAL FUND	22,411,811		22,411,811	22,411,811		22,411,811	44,823,622	44,823,622	
OTHER FED. FUNDS	39,531,967		39,531,967	39,531,967	6,281,213-	33,250,754	79,063,934	72,782,721	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	61,943,778		61,943,778	61,943,778	6,281,213-	55,662,565	123,887,556	117,606,343	5.07-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 305
Program Structure Level: 06 01 04
Program Title: CHILD CARE PAYMENTS

A. Program Objective

To provide child care subsidies which promote the self-sufficiency of low-income families who are employed, or in approved training or education.

B. Description of Request

Transfer \$6,281,213N to HMS 301, Child Welfare Services.

C. Reasons for Request

The federal Temporary Assistance to Needy Families (TANF) program allows up to 30% of the TANF block grant to be used by programs which receive Child Care Development Fund (CCDF) funds for child care, or to programs which receive Social Services Block Grant (SSBG) funds for social services. However, only 10% of the TANF grant can be transferred to SSBG programs.

The Department intends to use the full 10% of the TANF grant for SSBG purposes. This would leave 20% of the TANF grant, or \$19,780,800, as the maximum that could be transferred to HMS 305. Currently, there is \$26,762,013 in TANF funds budgeted in HMS 305. The transfer of \$6,281,213 to HMS 301 would reduce the TANF funds budgeted in HMS 305 to \$19,780,800, equal to 20% of the TANF grant. The transfer would increase the share of the TANF grant budgeted in HMS 301 from the current \$2,700,000 to \$8,981,213. The allotment of \$909,187 in currently unallotted TANF funds will bring the SSBG transfer amount to \$9,890,400, the maximum 10% of the TANF grant.

D. Significant Changes to Measures of Effectiveness and Program Size

None

PROGRAM ID: HMS-501
 PROGRAM STRUCTURE NO: 06010501
 PROGRAM TITLE: YOUTH SERVICES ADMINISTRATION

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	21.00*	*	21.00*	21.00*	*	21.00*	*	*	*
PERSONAL SERVICES	1,093,402		1,093,402	1,106,230	155,116	1,261,346	2,199,632	2,354,748	
OTH CURRENT EXPENSES	4,564,668		4,564,668	4,564,668	2,190,557-	2,374,111	9,129,336	6,938,779	
TOTAL OPERATING COST	5,658,070		5,658,070	5,670,898	2,035,441-	3,635,457	11,328,968	9,293,527	17.97-
BY MEANS OF FINANCING									
GENERAL FUND	21.00*	*	21.00*	21.00*	*	21.00*	*	*	*
	1,173,259		1,173,259	1,186,087	89,816	1,275,903	2,359,346	2,449,162	
OTHER FED. FUNDS	*	*	*	*	*	*	*	*	*
	4,484,811		4,484,811	4,484,811	2,125,257-	2,359,554	8,969,622	6,844,365	
CAPITAL INVESTMENT									
DESIGN	10,000		10,000				10,000	10,000	
CONSTRUCTION	190,000		190,000				190,000	190,000	
TOTAL CAPITAL COSTS	200,000		200,000				200,000	200,000	
BY MEANS OF FINANCING									
G.O. BONDS	200,000		200,000				200,000	200,000	
TOTAL POSITIONS	21.00*	*	21.00*	21.00*	*	21.00*			
TOTAL PROGRAM COST	5,858,070		5,858,070	5,670,898	2,035,441-	3,635,457	11,528,968	9,493,527	17.66-

**Narrative for Supplemental Budget Requests
FY 2007**

Program I.D.: HMS 501
Program Structure Level: 06 01 05 01
Program Title: YOUTH SERVICES ADMINISTRATION

A. Program Objective

To enhance program effectiveness and efficiency by formulating policies, executive direction and planning, budgeting, administering program operations and personnel, and providing other administrative and housekeeping services.

B. Description of Request

- 1) Request to convert 1.00 unbudgeted federally funded position to a temporary budgeted position.
- 2) Request to transfer in 2.00 temporary positions from HMS 502DA.
- 3) Request to reduce federal funds ceiling by \$2,213,557.
- 4) Request for funding to replace computers and printers via 3 year lease agreement which includes on site maintenance of equipment.

C. Reasons for Request

- 1) The HYCF Improvement Project was initiated on July 1, 2004 with one federally funded position to coordinate multiple levels of improvement at HYCF. The Department of Justice (DOJ) issued a report on August 4, 2005 and is currently working with the State on a settlement. If the State fails to meet the conditions negotiated with the DOJ, the State will be mandated under a Consent Decree to correct any findings. Conversion of these positions to a budgeted temporary will help in recruiting and retaining an employee with the necessary skills to successfully comply with the DOJ mandates.

- 2) The Office is folding the Youth Gang Response System Project with all of its other services to at-risk youth. The 2 positions will be converted from temporary project based positions to temporary civil service positions. All of the Office's positions are in HMS 501/YA.
- 3) The reduction of \$2,213,557 federal funds ceiling is due to adjustment of the US Department of Justice federal grants. The Juvenile Accountability Block Grants Program first awarded in FY 98 for \$1,900,300 has been reduced to \$390,200. The Combating Underage Drinking program was transferred to the Dept. of Health's Alcohol and Drug Abuse Division in January 2002.
- 4) Desktop computers were purchased in FY 02, laptops were purchased prior to that time. Request for funding to replace computers and printers via 3 year lease agreement will allow the Office to avoid problems we are encountering with older computers, time spent identifying problems/repairing/reimaging/replacing harddisks and incurring a lost of productivity due to workers not having access to their email and some of their electronic files while awaiting repair of their computers.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes.

PROGRAM ID: HMS-502
 PROGRAM STRUCTURE NO: 06010502
 PROGRAM TITLE: YOUTH SERVICES PROGRAMS

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
PERSONAL SERVICES	79,112		79,112	79,112	70,116-	8,996	158,224	88,108	
OTH CURRENT EXPENSES	4,862,538		4,862,538	4,762,538	100,000-	4,662,538	9,625,076	9,525,076	
TOTAL OPERATING COST	4,941,650		4,941,650	4,841,650	170,116-	4,671,534	9,783,300	9,613,184	1.74-
BY MEANS OF FINANCING									
GENERAL FUND	3,632,308	*	3,632,308	3,532,308	70,116-	3,462,192	7,164,616	7,094,500	*
OTHER FED. FUNDS	1,309,342		1,309,342	1,309,342	100,000-	1,209,342	2,618,684	2,518,684	*
CAPITAL INVESTMENT									
LAND ACQUISITION	498,000		498,000				498,000	498,000	
DESIGN	1,000		1,000				1,000	1,000	
CONSTRUCTION	1,000		1,000				1,000	1,000	
TOTAL CAPITAL COSTS	500,000		500,000				500,000	500,000	
BY MEANS OF FINANCING									
G.O. BONDS	500,000		500,000				500,000	500,000	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	5,441,650		5,441,650	4,841,650	170,116-	4,671,534	10,283,300	10,113,184	1.65-

**Narrative for Supplemental Budget Requests
FY 2007**

Program I.D.: HMS 502
Program Structure Level: 06 01 05 02
Program Title: YOUTH SERVICES PROGRAMS

A. Program Objective

To facilitate optimum service delivery, to prevent delinquency and to reduce the incidence of recidivism among juveniles through the provision of a continuum of prevention, rehabilitation and counseling services for youth.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes.

B. Description of Request

- 1) Request to transfer \$100,000 in federal funds to HMS 503RB for receipt of Federal Title IV-E reimbursement.
- 2) Request to transfer 2.00 temporary positions from HMS 502DA to HMS 501YA and to reclassify HMS 502DA line item to the POS line item Youth and Family Services.

C. Reasons for Request

- 1) These federal funds were erroneously requested in HMS 502DA in FY 03. We now request to transfer these funds to HMS 503RB so that the Federal Title IV-E of the Social Security Act reimbursement can be used to expand services.
- 2) The 2.00 exempt temporary positions created for the Youth Gang Response System Project are being transferred to HMS 501YA and will be converted to temporary civil service positions. Funding for the Youth Gang Response System line item will be folded in with the POS line item Youth and Family Services. The Office is requesting transitioning the project to be more in line with the direction of the Office.

PROGRAM ID: HMS-503
 PROGRAM STRUCTURE NO: 06010503
 PROGRAM TITLE: YOUTH RESIDENTIAL PROGRAMS

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	89.00*	*	89.00*	89.00*	*	89.00*	*	*	*
PERSONAL SERVICES	4,003,323		4,003,323	4,240,097		4,240,097	8,243,420	8,243,420	
OTH CURRENT EXPENSES	3,755,108		3,755,108	3,755,108	1,600,000	5,355,108	7,510,216	9,110,216	
TOTAL OPERATING COST	7,758,431		7,758,431	7,995,205	1,600,000	9,595,205	15,753,636	17,353,636	10.16
BY MEANS OF FINANCING									
GENERAL FUND	88.50*	*	88.50*	88.50*	*	88.50*	*	*	*
OTHER FED. FUNDS	6,278,187		6,278,187	6,514,961	1,300,000	7,814,961	12,793,148	14,093,148	
	1,463,704		1,463,704	1,463,704	300,000	1,763,704	2,927,408	3,227,408	
	.50*	*	.50*	.50*	*	.50*	*	*	*
INTERDEPT. TRANSF	16,540		16,540	16,540		16,540	33,080	33,080	
CAPITAL INVESTMENT									
PLANS				5,000		5,000		5,000	
DESIGN	20,000		20,000	185,000		185,000	20,000	205,000	
CONSTRUCTION	80,000		80,000	1,210,000		1,210,000	80,000	1,290,000	
TOTAL CAPITAL COSTS	100,000		100,000	1,400,000		1,400,000	100,000	1,500,000	1,400.00
BY MEANS OF FINANCING									
G.O. BONDS	100,000		100,000	1,400,000		1,400,000	100,000	1,500,000	
TOTAL POSITIONS	89.00*	*	89.00*	89.00*	*	89.00*			
TOTAL PROGRAM COST	7,858,431		7,858,431	7,995,205	3,000,000	10,995,205	15,853,636	18,853,636	18.92

**Narrative for Supplemental Budget Requests
FY 2007**

Program I.D.: HMS 503
Program Structure Level: 06 01 05 03
Program Title: YOUTH RESIDENTIAL PROGRAMS

A. Program Objective

To facilitate the reintegration and increase the ability of at-risk youth to function within their community by providing a continuum of residential programs; and to coordinate the delivery of all appropriate services to meet the needs of at-risk youth including medical, mental health, educational, vocational, counseling, and substance abuse treatment services to assure successful community adjustment.

B. Description of Request

- 1) To transfer in federal funds for receipt of Federal Title IV-E reimbursement from HMS 502 DA (\$100,000) and increase the federal ceiling by \$200,000.
- 2) Request for funding of \$1,300,000 for Safehouse Program which may be eligible for Title IV-E reimbursement.

C. Reasons for Request

- 1) This request (\$300,000N) will enable the Office to increase resources for services from Federal Title IV-E of the Social security Act which allows states to claim federal fund reimbursements of certain expenditures made for foster care, administrative and training cost.
- 2) This Safehouse group home request will provide the state with a highly-structured, safe, and temporary alternative for youth in need of a residential placement more structured than a transitional group home but less severe than incarceration at the HYCF.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes.

PROGRAM ID: HMS-601
PROGRAM STRUCTURE NO: 060107
PROGRAM TITLE: ADULT AND COMMUNITY CARE SERVICES

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	117.50*	*	117.50*	117.50*	-.50*	117.00*	*	*	*
PERSONAL SERVICES	6,260,463		6,260,463	6,272,472	270,157-	6,002,315	12,532,935	12,262,778	
OTH CURRENT EXPENSES	8,656,708		8,656,708	8,656,708	133,359	8,790,067	17,313,416	17,446,775	
TOTAL OPERATING COST	14,917,171		14,917,171	14,929,180	136,798-	14,792,382	29,846,351	29,709,553	.46-
BY MEANS OF FINANCING									
GENERAL FUND	99.58*	*	99.58*	99.58*	-.50*	99.08*	*	*	*
	9,233,205		9,233,205	9,245,214	92,346	9,337,560	18,478,419	18,570,765	
	17.92*	*	17.92*	17.92*	*	17.92*	*	*	*
OTHER FED. FUNDS	5,393,860		5,393,860	5,393,860	14,135	5,407,995	10,787,720	10,801,855	
PRIVATE CONTRIB.	10,000		10,000	10,000		10,000	20,000	20,000	
INTERDEPT. TRANSF	280,106	*	280,106	280,106	243,279-	36,827	560,212	316,933	*
CAPITAL INVESTMENT									
DESIGN	1,000		1,000				1,000	1,000	
CONSTRUCTION	498,000		498,000				498,000	498,000	
EQUIPMENT	1,000		1,000				1,000	1,000	
TOTAL CAPITAL COSTS	500,000		500,000				500,000	500,000	
BY MEANS OF FINANCING									
G.O. BONDS	500,000		500,000				500,000	500,000	
TOTAL POSITIONS	117.50*	*	117.50*	117.50*	-.50*	117.00*			
TOTAL PROGRAM COST	15,417,171		15,417,171	14,929,180	136,798-	14,792,382	30,346,351	30,209,553	.45-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 601

Program Structure Level: 06 01 07

Program Title: ADULT AND COMMUNITY CARE SERVICES

A. Program Objective

To prevent inappropriate institutionalization of dependent, disabled adults by providing them with a range of in-home and community-based social, health, and other supportive services, and provide protection from abuse, neglect, and exploitation for dependent adults.

B. Description of Request

Convert temporary unbudgeted positions to budgeted status. Establish budgeted temporary full time positions. Increase purchase of service (POS) appropriation for adult personal care services by \$90,000. Move positions and resources within the program. Allocate funds for contracted regulatory services.

C. Reasons for Request

Conversion of the unbudgeted positions to budgeted and increasing the POS funding is required to establish a source of funding and stability for the program, as well as to assure the availability of resources. The positions providing Financial Exploitation services will enhance the Department's ability to address this APS problem due to staff expertise related to the area of concern.

The Department is restructuring its volunteer based service programs to improve coordination of statewide expenditures and to allow service

delivery based on specific geographic needs. The Department's ability to provide services to the frail and elderly in times of disaster or other emergency will also be enhanced

D. Significant Changes to Measures of Effectiveness and Program Size

The restructuring of the volunteer based programs will entail program growth with the incorporation of the Retired and Senior Volunteer Program (RSVP) into the Department. It is currently run by a non-government agency and is funded in part with Federal funds. The Measures of Effectiveness will need to be revised to reflect the restructured volunteer based program.

No significant changes in Measures of Effectiveness will be needed for the other requests.

PROGRAM ID: HMS-603
PROGRAM STRUCTURE NO: 06020302
PROGRAM TITLE: HOME & COMMUNITY-BASED CARE SERVICES

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
OTH CURRENT EXPENSES	116,900,513		116,900,513	121,275,074	2,209,881	123,484,955	238,175,587	240,385,468	
TOTAL OPERATING COST	116,900,513		116,900,513	121,275,074	2,209,881	123,484,955	238,175,587	240,385,468	.93
BY MEANS OF FINANCING									
GENERAL FUND	17,916,194		17,916,194	18,510,263	931,133	19,441,396	36,426,457	37,357,590	
OTHER FED. FUNDS	66,191,306		66,191,306	68,696,463	1,278,748	69,975,211	134,887,769	136,166,517	
INTERDEPT. TRANSF	32,793,013		32,793,013	34,068,348		34,068,348	66,861,361	66,861,361	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	116,900,513		116,900,513	121,275,074	2,209,881	123,484,955	238,175,587	240,385,468	.93

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 603

Program Structure Level: 06 02 03 02

Program Title: HOME & COMMUNITY-BASED CARE SERVICES

A. Program Objective

To prevent or delay institutionalization of persons with disabilities by providing Medicaid waiver payments.

B. Description of Request

1. Residential Alternatives Community Care Program (RACCP):
 - Additional State funding to equalize the reimbursement to providers caring for adults who do not qualify for SSI and therefore do not receive the SSI Cost of living (COLA) increase as well as the proposed \$50 increase to the State Supplemental Portion (SSP) – HMS 605.
 - Increase in the rates to the RACCP family home providers on the neighbor islands.
2. Increase in rates of Personal Care Services Provided by Nursing Home Without Walls (NHWW), Medically Fragile Community Care (MFCC) and HIV/AIDS Community Care Program (HCC).

C. Reasons for Request

1. Cost of Living increases are granted each year to SSI recipients living in RACC family homes. In order to equalize the payments to care takers of residents who are not SSI eligible, the rates for these individuals are increased to equal the amount of the COLA.

Payments to neighbor island providers are being increased by 5% to attract more providers on the neighbor islands where the hotel industry is continuously recruiting. Historically, the RACCP program has been unable to attract providers. While 28% of the State's residents reside on the neighbor islands, only 8% of the current RACCP residents live on the neighbor islands.

2. The rates for Certified Nurses Aides are being increased to attract more people to care for the elderly and disabled. There is an overall shortage of healthcare personnel.

D. Significant Changes to Measures of Effectiveness and Program Size

RACCP - Changes will be necessary to reflect anticipated growth in program size. It is anticipated that there will be a 10% increase in neighbor Island residents with the rate increase offered to neighbor island providers. An increase in the certified nurse's aide rate will make available a larger pool of workers to serve the individuals in waiver programs.

**EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM ID: **HMS-901**

PROGRAM STRUCTURE NO: **060407**

PROGRAM TITLE: **GENERAL SUPPORT FOR SOCIAL SERVICES**

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	47.00*	*	47.00*	47.00*	*	47.00*	*	*	*
PERSONAL SERVICES	2,511,804		2,511,804	2,537,352		2,537,352	5,049,156	5,049,156	
OTH CURRENT EXPENSES	737,003		737,003	737,003		737,003	1,474,006	1,474,006	
TOTAL OPERATING COST	3,248,807		3,248,807	3,274,355		3,274,355	6,523,162	6,523,162	
BY MEANS OF FINANCING									
	27.56*	*	27.56*	27.56*	*	27.56*	*	*	*
GENERAL FUND	1,657,030		1,657,030	1,682,578		1,682,578	3,339,608	3,339,608	
	19.44*	*	19.44*	19.44*	*	19.44*	*	*	*
OTHER FED. FUNDS	1,591,777		1,591,777	1,591,777		1,591,777	3,183,554	3,183,554	
CAPITAL INVESTMENT									
DESIGN	1,000		1,000				1,000	1,000	
CONSTRUCTION	999,000		999,000				999,000	999,000	
TOTAL CAPITAL COSTS	1,000,000		1,000,000				1,000,000	1,000,000	
BY MEANS OF FINANCING									
G.O. BONDS	1,000,000		1,000,000				1,000,000	1,000,000	
TOTAL POSITIONS	47.00*	*	47.00*	47.00*	*	47.00*			
TOTAL PROGRAM COST	4,248,807		4,248,807	3,274,355		3,274,355	7,523,162	7,523,162	

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 901

Program Structure Level: 06 04 07

Program Title: GENERAL SUPPORT FOR SOCIAL SERVICES

A. Program Objective

To enhance program effectiveness and efficiency by contracting for services, providing quality assurance, monitoring programs, administering grants and federal funds, providing training and information systems support, and providing other administrative and housekeeping services.

B. Description of Request

Convert two temporary unbudgeted positions to two temporary budgeted positions, including a Registered Nurse and a Social Worker IV.

C. Reasons for Request

As of February 2005, the Department has engaged the services of a private contractor to carry out the regulatory mandates of Act 153, SLH 2004. The regulatory activities were previously handled by the two positions that are to be converted to permanent status. The contractor regulates case management agencies and foster homes that serve adults with compromised physical health conditions. The two positions are needed to monitor the performance of the contractor to ensure the quality of services and the health and welfare of individuals using the regulated service providers, and compliance with contractual and statutory requirements.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes are needed.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

HMS-902

060404

GENERAL SUPPORT FOR HEALTH CARE PAYMENTS

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	207.00*	*	207.00*	207.00*	*	207.00*	*	*	*
PERSONAL SERVICES	11,177,266		11,177,266	11,299,424	546,526	11,845,950	22,476,690	23,023,216	
OTH CURRENT EXPENSES	14,425,065		14,425,065	14,425,065	499,054	14,924,119	28,850,130	29,349,184	
EQUIPMENT					151,652	151,652		151,652	
TOTAL OPERATING COST	25,602,331		25,602,331	25,724,489	1,197,232	26,921,721	51,326,820	52,524,052	2.33
BY MEANS OF FINANCING									
	102.49*	*	102.49*	102.49*	*	102.49*	*	*	*
GENERAL FUND	8,877,550		8,877,550	8,999,708	729,664	9,729,372	17,877,258	18,606,922	
	104.51*	*	104.51*	104.51*	*	104.51*	*	*	*
OTHER FED. FUNDS	16,724,781		16,724,781	16,724,781	467,568	17,192,349	33,449,562	33,917,130	
TOTAL POSITIONS	207.00*	*	207.00*	207.00*	*	207.00*			
TOTAL PROGRAM COST	25,602,331		25,602,331	25,724,489	1,197,232	26,921,721	51,326,820	52,524,052	2.33

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 902

Program Structure Level: 06 04 04

Program Title: GENERAL SUPPORT FOR HEALTH CARE PAYMENTS

A. Program Objective

To enhance program effectiveness and efficiency by formulating policies, administering operations and personnel, and providing other administrative services.

B. Description of Request

Budget requests include:

- 10 additional positions for the administration of the medical assistance programs including the Eligibility Branch.
- 3 positions for Hawaii Rx and State Pharmacy Assistance Programs (SPAP)
- Funding for the SPAP claims processing.
- Transfer funding from HMS 904 to HMS 902 for the Health Insurance Portability & Accountability Act of 1996

C. Reasons for Request

- 10 positions include 4 for the Eligibility Branch which has seen an increase in cases. Currently the MQD caseworker on Oahu has approximately 800 cases. Also 6 positions for administration are needed to handle the additional workload due to current program changes such as Qex, Medicare Part D, Medicare Buy-in and Medicaid Reform.

- 3 positions for Hawaii RX to continue the drug discount program. These positions were budgeted in FY2005 but became unbudgeted in FY2006. These positions have been funded with vacancy savings that will not be available in FY2007.
- The SPAP program ensures Medicaid/Medicare dual eligibles will retain their current prescription drug benefits beginning January 1, 2006 by wrapping around the federal Medicare-Part D prescription drug program by paying for mandated co-payments.
- Transferring of funds from HMS 904 to HM 902 will allow the maximization of federal funding for the continued compliance of HIPAA.

D. Significant Changes to Measures of Effectiveness and Program Size

- No significant changes to Measures of Effectiveness and Program Size.

PROGRAM ID: HMS-903
 PROGRAM STRUCTURE NO: 060405
 PROGRAM TITLE: GEN SPPT FOR BEN, EMPLOYMT & SPPT SVCS

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	110.00*	*	110.00*	110.00*	*	110.00*	*	*	*
PERSONAL SERVICES	5,984,368		5,984,368	6,041,280		6,041,280	12,025,648	12,025,648	
OTH CURRENT EXPENSES	31,489,021		31,489,021	31,489,021	40,386,357	71,875,378	62,978,042	103,364,399	
TOTAL OPERATING COST	37,473,389		37,473,389	37,530,301	40,386,357	77,916,658	75,003,690	115,390,047	53.85
BY MEANS OF FINANCING									
GENERAL FUND	59.96*	*	59.96*	59.96*	*	59.96*	*	*	*
	10,160,813		10,160,813	10,217,725		10,217,725	20,378,538	20,378,538	
	50.04*	*	50.04*	50.04*	*	50.04*	*	*	*
OTHER FED. FUNDS	27,312,576		27,312,576	27,312,576	40,386,357	67,698,933	54,625,152	95,011,509	
TOTAL POSITIONS	110.00*	*	110.00*	110.00*	*	110.00*			
TOTAL PROGRAM COST	37,473,389		37,473,389	37,530,301	40,386,357	77,916,658	75,003,690	115,390,047	53.85

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 903

Program Structure Level: 06 04 05

Program Title: GENERAL SUPPORT FOR BENEFIT, EMPLOYMENT & SUPPORT SERVICES

A. Program Objective

To enhance program effectiveness and efficiency by formulating policies, administering operations and personnel, and providing other administrative and housekeeping services.

B. Description of Request

Additional hardware needed to enhance the performance of BESSD computer systems: \$1,284,733N.

Convert 5.00 unbudgeted temporary positions in the Employment and Child Care Program Office to temporary budgeted positions: \$0.

Allot current year TANF funds for priority contracts currently in place: \$4,101,624N.

Increase federal fund ceiling for additional TANF funded contracts: \$35,000,000N

C. Reasons for Request

The federal fund ceiling increase is needed to allow the Division to properly cost allocate the proper federal programs. The eligibility units need to upgrade their personal computers to ensure that client benefits are processed daily and in a timely manner while additional hardware and

software are needed to provide security for information systems so clients can access their information 24/7 statewide.

The four professional and one clerical staff positions are needed to implement, manage and monitor sixty (60) plus purchase of service contracts for self-sufficiency and support services, teen pregnancy and family strengthening programs. The request is to increase the federal fund ceiling for TANF from \$58,893,977 to \$63,904,788, the Act 178, Section 156 ceiling amount.

The request to increase the federal fund ceiling by \$35,000,000 will supplement current employment, at-risk youth, and support services contracts as well as provide new services with various State agencies and counties in a coordinated and comprehensive manner.

D. Significant Changes to Measures of Effectiveness and Program Size

The budget requests will provide the technical, staffing and funding support for the administration of the TANF programs and the line services of the Division. No significant changes to the measures of effectiveness are anticipated. Target group and activities measures will increase as additional contracts and services are implemented for the TANF program.

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

HMS-904
060406
GENERAL ADMINISTRATION (DHS)

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY 2006			FY 2007			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	189.00*	*	189.00*	189.00*	*	189.00*	*	*	*
PERSONAL SERVICES	8,352,967		8,352,967	8,352,967	204,575-	8,148,392	16,705,934	16,501,359	
OTH CURRENT EXPENSES	1,318,839		1,318,839	1,318,839		1,318,839	2,637,678	2,637,678	
TOTAL OPERATING COST	9,671,806		9,671,806	9,671,806	204,575-	9,467,231	19,343,612	19,139,037	1.06-
BY MEANS OF FINANCING									
GENERAL FUND	173.34*	*	173.34*	173.34*	*	173.34*	*	*	*
	8,206,608		8,206,608	8,206,608	204,575-	8,002,033	16,413,216	16,208,641	
	15.66*	*	15.66*	15.66*	*	15.66*	*	*	*
OTHER FED. FUNDS	1,465,198		1,465,198	1,465,198		1,465,198	2,930,396	2,930,396	
TOTAL POSITIONS	189.00*	*	189.00*	189.00*	*	189.00*			
TOTAL PROGRAM COST	9,671,806		9,671,806	9,671,806	204,575-	9,467,231	19,343,612	19,139,037	1.06-

**Narrative for Supplemental Budget Requests
FY 2007**

Program ID: HMS 904
Program Structure Level: 06 04 06
Program Title: GENERAL ADMINISTRATION (DHS)

A. Program Objective

To enhance program efficiency and effectiveness by formulating overall policies, directing operations and personnel and providing other administrative and housekeeping services.

B. Description of Request

- 1) The conversion of six (6.00) unbudgeted positions in HMS 904AA, the Office of the Director, to budgeted temporary positions.
- 2) The transfer of the temporary HIPAA Project Coordinator position and funds to HMS 902IA, General Support for Health Care Payments.
- 3) The transfer of 4.00 unbudgeted temporary positions and funds to the Governor and Lieutenant Governor's Offices.

C. Reasons for Request

- 1) The DHS General Administration program is requesting the addition of 6.00 temporary position counts so that we can budget six unbudgeted positions supporting the Office of the Director by providing essential administrative support services.

2) The HIPAA Project Coordinator position was assigned initially to the Director's Office to work closely with top DHS management on the establishment of the HIPAA policies and procedures. Now that HIPAA is in full operation, the transfer of the position to HMS 902 will place it under the supervision of MedQuest Division Administration.

3) The four positions were funded by DHS but have been deployed to the Offices of the Governor and Lieutenant Governor. The transfer will place the positions in the budgets of the agencies where they are currently working.

D. Significant Changes to Measures of Effectiveness and Program Size

None

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Capital Budget Details

PROGRAM ID

HMS-229

PROGRAM STRUCTURE NO. 06020206

PROGRAM TITLE

HCDCH ADMINISTRATION

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2006		RECOM APPRN	FY 2007		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
<hr/>										
HA007			LUMP SUM CIP - REPAIR & MAINTENANCE, SITE IMPROVEMENTS & RENOVATIONS, STATEWIDE							
				DESIGN	500		500	500		500
				CONSTRUCTION	2,500		2,500	1,500		1,500
				TOTAL	3,000		3,000	2,000		2,000
				G.O. BONDS	3,000		3,000	2,000		2,000
<hr/>										
F22902	0003	1ST R	LANAKILA HOMES, PHASE IIA & IIB, BUILDING CONSTRUCTION, HILO, HAWAII							
				DESIGN				700		700
				CONSTRUCTION				1,500		1,500
				TOTAL				2,200		2,200
				G.O. BONDS				2,200		2,200
<hr/>										
F22903	0004	1ST R	LANAKILA HOMES, PHASE IIIA, BUILDING CONSTRUCTION, HILO, HAWAII							
				DESIGN				350		350
				CONSTRUCTION				2,100		2,100
				TOTAL				2,450		2,450
				G.O. BONDS				2,450		2,450
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PROGRAM ID
PROGRAM STRUCTURE NO.
PROGRAM TITLE

HMS-229
06020206
HCDCH ADMINISTRATION

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2006		RECOM APPRN	FY 2007		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
F22904	0005	14TH R	KAHALE KAHALUU MODERNIZATION, KAILUA-KONA, HAWAII							
				CONSTRUCTION				1,500	1,500	
				TOTAL				1,500	1,500	
				G.O. BONDS				1,500	1,500	
F22905	0006	14TH R	KALIHI VALLEY HOMES HA-105 PHASE 3, BUILDING MODERNIZATION, OAHU							
				CONSTRUCTION				300	300	
				TOTAL				300	300	
				G.O. BONDS				300	300	
PROGRAM TOTALS										
				PLANS						
				DESIGN	500		500	500	1,050	1,550
				CONSTRUCTION	2,500		2,500	1,500	5,400	6,900
				TOTAL	3,000		3,000	2,000	6,450	8,450
				G.O. BONDS	3,000		3,000	2,000	6,450	8,450
				OTHER FED. FUNDS						

PROGRAM ID

HMS-503

PROGRAM STRUCTURE NO. 06010503

PROGRAM TITLE

YOUTH RESIDENTIAL PROGRAMS

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

REPORT S78
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PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2006		RECOM APPRN	FY 2007		RECOM APPRN
					CURRENT APPRN	ADJUSTMENT		CURRENT APPRN	ADJUSTMENT	
F70701	0001	24TH R	HYCF SECURITY AND INFRASTRUCTURE IMPROVEMENT AND REPAIRS, OAHU							
			PLANS					5		5
			DESIGN					185		185
			CONSTRUCTION					1,210		1,210
			TOTAL					1,400		1,400
			G.O. BONDS					1,400		1,400
P50033			HYCF, SECURITY AND INFRASTRUCTURE IMPROVEMENTS AND REPAIRS, OAHU							
			DESIGN		20		20			
			CONSTRUCTION		80		80			
			TOTAL		100		100			
			G.O. BONDS		100		100			
			PROGRAM TOTALS							
			PLANS					5		5
			DESIGN		20		20	185		185
			CONSTRUCTION		80		80	1,210		1,210
			TOTAL		100		100	1,400		1,400
			G.O. BONDS		100		100	1,400		1,400

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